

Virginia State Corporation Commission eFiling CASE Document Cover Sheet

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Case Number (if already assigned)	PUR-2021-00142
Case Name (if known)	Application of Virginia Electric and Power Company For approval and certification of the Coastal Virginia Offshore Wind Commercial Project and Rider Offshore Wind
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March 25, 2022

VIA ELECTRONIC FILING

Mr. Bernard Logan, Clerk
c/o Document Control Center
State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Re: Application of Virginia Electric and Power Company For approval and certification of the Coastal Virginia Offshore Wind Commercial Project and Rider Offshore Wind, pursuant to § 56-585.1:11, § 56-46.1, § 56-265.1 *et seq.*, and § 56-585.1 A 6 of the Code of Virginia; Case No. PUR-2021-00142

Dear Mr. Logan:

Pursuant to the Virginia State Corporation Commission's ("Commission") December 9, 2021, Order for Notice and Hearing, please accept this letter in lieu of formal testimony on behalf of Walmart Inc. ("Walmart") in the above-referenced case.

Walmart supports the development of affordable, renewable energy. While the Coastal Virginia Offshore Wind ("CVOW") Project being proposed by Virginia Electric and Power Company d/b/a Dominion Virginia Power ("Dominion" or "Company") will certainly result in renewable energy, Walmart has concerns regarding the CVOW Project's affordability. As with any construction project, construction delays, cost increases, and other overruns are likely. With the Company's currently projected cost of \$9.8 billion,¹ even small deviations in cost and/or timeline could have significant impacts on the overall cost of the project and, in turn, the Company's ratepayers.²

It is Walmart's understanding that the Company seeks a determination from the Commission "for purposes of the presumption that the costs are reasonably and prudently incurred."³ Presumably, the Company is seeking a front-end determination that the entirety of the CVOW Project, at a budget of \$9.8 billion, is presumptively reasonable. Should the Commission grant the Company's request regarding prudence, Walmart supports the Commission implementing customer protections from cost overruns and other measures to mitigate the risk to customers of the CVOW Project.

¹ Application, ¶ 32.

² The Company acknowledges that the onshore work cost projection has increased from approximately \$500 million in 2019 to \$1.5 billion as of November 5, 2021, a three-fold increase in the cost *projection*. Direct Testimony of Mark D. Mitchell, p. 6, line 15 to p. 7, line 15.

³ *Id.* at "wherefore" clause, p. 29.

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Walmart reserves the right to present testimony at the hearing in response to testimony offered by other parties, including the Company on rebuttal, Staff, or other participating parties. Walmart further reserves the right to address all issues in post-hearing briefs.

All parties are being served a copy of this filing in accordance with the attached Certificate of Service. Pursuant to the Commission's Rules of Practice and Procedure, 5 VAC 5-20-140, and the Commission's *Order Requiring Electronic Service* entered on April 1, 2020, Case No. CLK-2020-00007, Walmart is providing service of documents in this case via email only unless a party requests otherwise.

Please contact me if you have any questions.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By 

Carrie H. Grundmann
(VA Bar No. 76817)

Counsel to Walmart Inc.

CMH:sds
Attachments
cc: Certificate of Service

20220325

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing correspondence upon the following parties to this proceeding.

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Dated: March 25, 2022